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ATTORNEY FOR DEBTORS
ERIC AND LEAH GORMLY

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

IN RE:	§	
	§	
ERIC KEVIN GORMLY	§	CASE NUMBER 15-31502-HDH-7
Address: 7216 Alto Caro Dr.	§	
Dallas, TX 75248	§	
Last four digits of Social-Security or	§	
Individual Taxpayer Identification	§	
(ITIN) No(s), (if any): 1505	§	
	§	
LEAH MARIE GORMLY	§	
Address: 7216 Alto Caro Dr.	§	
Dallas, TX 75248	§	
Last four digits of Social-Security or	§	
Individual Taxpayer Identification	§	
(ITIN) No(s), (if any): 8077	§	
	§	
DEBTORS	§	

CASE STATUS REPORT

TO THE HONORABLE HARLIN D. HALE, UNITED STATES BANKRUPTCY JUDGE:

ERIC GORMLY and LEAH GORMLY ("Debtors") report the following case status with respect to Debtors' Application for Show Cause Order ("Application") and Debtors' Motion for Sanctions ("Motion").

1. The Application and Motion relate to the lease of commercial space for the practice of law by the Debtor, Eric Gormly, and the holder of the lease, Real Estate Arbitrage Partners, LLC, and/or Richard Wells (the "Respondents"), return of property seized by Respondents, payments made by Debtors under the lease and violation of the automatic stay.

2. At hearing set before this Court June 20, 2016, the parties announced a Joint Agreed Motion to Mediate filed by the parties requesting mediation to occur by August 4, 2016. Allen Landerman appeared as the attorney for the Respondents and William Ritter appeared for the Debtors.

3. Shortly after the filing of the Agreed Motion and entry of an Agreed Order Directing Parties to Mediation, a grievance proceeding was initiated against the Debtor relating to matters raised in defense to Debtor's Motion.

4. The grievance eliminated any potential for settlement.

5. Debtor's primary concern has been the grievance proceeding.

6. Debtors intend to pursue claims against Respondents for conversion, fraud and breach of contract by an adversary proceeding in addition to a claim for violation of the automatic stay as raised in the Motion.

7. Debtors request 30 days for the adversary filing.

Dated: October 20, 2016

Respectfully submitted,

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By: /s/ William F. Ritter, IV
WILLIAM F. RITTER, IV
State Bar No. 16955500

ATTORNEY FOR DEBTORS
ERIC AND LEAH GORMLY

CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the foregoing Case Status was served by ELECTRONIC CASE NOTIFICATION and/or FIRST CLASS MAIL, POSTAGE PREPAID on:

Allen Landerman on behalf of Creditor Real Estate Arbitrage Partners, LLC at
allen@alpclaw.com;

Chapter 7 Trustee Jeffrey H. Mimms at *JHMIMSTRUSTEE@chfirm.com*,
JMIMS@ecf.epiqsystems.com;

United States Trustee at *ustpreion06.da.ecf@usdoj.gov*;

Debtors Eric and Leah Gormly; and

All parties requesting notice and service of papers

on October 20, 2016.

/s/ William F. Ritter, IV
WILLIAM F. RITTER, IV